

## YOUNG CONAWAY STARGATT & TAYLOR, LLP

BEN T. CASTLE  
SHELDON N. SANDLER  
RICHARD A. LEVINE  
RICHARD A. ZAPPA  
FREDERICK W. JOBST  
RICHARD H. MORSE  
DAVID C. MCBRIDE  
JOSEPH M. NICHOLSON  
CRAIG A. KARSNITZ  
BARRY M. WILLOUGHBY  
JOSY W. INGERSOLL  
ANTHONY G. FLYNN  
JEROME K. GROSSMAN  
EUGENE A. DIPRINZIO  
JAMES L. PATTON, JR.  
ROBERT L. THOMAS  
WILLIAM D. JOHNSTON  
TIMOTHY J. SNYDER  
BRUCE L. SILVERSTEIN  
WILLIAM W. BOWSER  
LARRY J. TARABICOS  
RICHARD A. DILIBERTO, JR.  
MELANIE K. SHARP  
CASSANDRA F. ROBERTS  
RICHARD J. A. POPPER  
TERESA A. CHEEK  
NEILLI MULLEN WALSH

JANET Z. CHARLTON  
ROBERT S. BRADY  
JOEL A. WAITE  
BRENT C. SHAFFER  
DANIEL P. JOHNSON  
CRAIG D. GREAR  
TIMOTHY JAY HOUSEAL  
MARTIN S. LESSNER  
PAULINE K. MORGAN  
C. BARR FLINN  
NATALIE WOLF  
LISA B. GOODMAN  
JOHN W. SHAW  
JAMES P. HUGHES, JR.  
EDWIN J. HARRON  
MICHAEL R. NESTOR  
MAUREEN D. LUKE  
ROLIN P. BISSELL  
SCOTT A. HOLT  
JOHN T. DORSEY  
M. BLAKE CLEARY  
CHRISTIAN DOUGLAS WRIGHT  
DANIELLE GIBBS  
JOHN J. PASCHETTO  
NORMAN M. POWELL  
ELENA C. NORMAN

THE BRANDYWINE BUILDING  
1000 WEST STREET, 17TH FLOOR  
WILMINGTON, DELAWARE 19801

P.O. Box 391  
WILMINGTON, DELAWARE 19899-0391

(302) 571-6600  
(800) 253-2234 (DE ONLY)  
FAX: (302) 571-1253

110 WEST PINE STREET  
P.O. Box 594  
GEORGETOWN, DELAWARE 19947  
(302) 856-3571  
(800) 255-2234 (DE ONLY)  
FAX: (302) 856-9338

WWW.YOUNGCONAWAY.COM

DIRECT DIAL: 302-571-5018  
DIRECT FAX: 302-576-3457  
cstover@ycst.com

JOSEPH M. BARRY  
SEAN M. BEACH  
SANJAY BHATNAGAR  
DONALD J. BOWMAN, JR.  
MICHELE SHERRETTA BUDICAK  
JEFFREY T. CASTELLANO  
KARA HAMMOND COYLE  
KRISTEN SALVATORE DEPALMA  
MARGARET M. DI BIANCA  
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KENNETH J. ENOS  
IAN S. FREDERICKS  
JAMES J. GALLAGHER  
SEAN T. GREECHER  
STEPHANIE L. HANSEN  
DAWN M. JONES  
KAREN E. KELLER  
JENNIFER M. KINKUS  
EDWARD J. KOSMOWSKI  
JOHN C. KUFFEL  
TIMOTHY E. LENGKEEK

SPECIAL COUNSEL  
JOHN D. McLAUGHLIN, JR.  
KAREN L. PASCALE  
PATRICIA A. WIDDOSS

ANDREW A. LUNDGREN  
MATTHEW B. LUNN  
ADRIA B. MARTINELLI  
KATHALEEN MCCORMICK  
MICHAEL W. McDERMOTT  
TAMMY L. MERCER  
MARIBETH L. MINELLA  
EDMON L. MORTON  
D. FON MUTTAMARA-WALKER  
JENNIFER R. NOEL  
ADAM W. POFF  
SETH J. REIDENBERG  
SARA BETH A. REYBURN  
CHERYL A. SANTANIELLO  
(NJ & PA ONLY)  
MONTÉ T. SQUIRE  
MICHAEL P. STAFFORD  
CHAD S. C. STOVER  
JOHN E. TRACEY  
TRAVIS N. TURNER  
MARGARET B. WHITEMAN  
SHARON M. ZIEG

SENIOR COUNSEL  
CURTIS J. CROWTHER

OF COUNSEL  
BRUCE M. STARGATT  
STUART B. YOUNG  
EDWARD B. MAXWELL, 2ND

August 28, 2007

### **BY E-FILE AND HAND DELIVERY**

The Honorable Mary Pat Thyng  
United States Magistrate Judge  
United States District Court  
District of Delaware  
J. Caleb Boggs Federal Building  
844 North King Street  
Wilmington, DE 19801

Re: Ad Hoc Committee of Equity Holders of  
Tectonic Network, Inc. v. Wolford, et al (D. Del. No. 06-665)

Dear Judge Thyng:

We represent defendants and we are writing in response to the letter to you from plaintiff's counsel dated August 27, 2007 concerning discovery issues in this matter. I do not deny that the document gathering process in this matter has moved slowly. Our clients are multiple individuals most with no continuing relationship except that they have all been named together in this action.

Some have provided documents for us to produce and others have told us that they retained no documents either hard copy or electronic. We have also located all of the Tectonic corporate records we could find independently. It is our hope to produce some of what we have assembled this week.

We have been extremely candid with plaintiff's counsel about our overarching problem in this matter and we also reported this in our last telephone conference with Your Honor. The insurer has denied coverage and separate counsel has been engaged to deal with that issue. So

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August 28, 2007

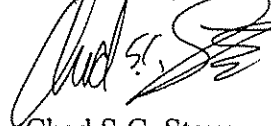
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far, little progress seems to have been made. The individual defendants do not have the resources to support this litigation, let alone this and the insurance dispute. Legal fees are not being paid and we are fronting the cost of document assembly, review and copying.

We also believe that we have pending a very strong motion to dismiss which should moot all other issues in this matter. Having said all this, we are, none the less, working to respond as fully as possible to the pending document requests.

We had informed plaintiff's counsel that we did not believe we had reached a point where it was necessary for Your Honor to intervene in this matter, especially in light of the fact that we have more than five months before the discovery cut-off. Obviously, they do not agree and we look forward to discussing these issues with Your Honor on Tuesday morning.

Respectfully,



Chad S.C. Stover

CSS:hbt

cc: Adam Poff, Esquire (by e-mail)  
Chad Stover, Esquire (by e-mail)  
Herbert C. Ross, Jr., Esquire (by e-mail)  
Linda Richenderfer, Esquire (by e-mail)